

R E M A R K S

Claims 1 to 89 are pending in the present application.

Claims 1, 52, 54, 57, 70, 72, 73, 74, 82, 84, 85, 86, 87, and 89 are independent.

Claims 1, 50, 52, 54, and 89 have been amended herein.

Section 101 Rejection

Claim 86 stands rejected under 35 U.S.C. Section 101 as being directed to non-statutory subject matter. Applicants respectfully traverse the Examiner's Section 101 rejection. The Examiner asserts that the data structure recited in Claim 86 "does not create any functional interrelationships either as part of the stored data or as part of the computing process performed by the computer and does not impart functionality either to the data or the computer."

Applicants respectfully disagree. Claim 86 specifically recites associations between specific objects and specifically establishes "functional interrelationships . . . as part of the stored data." In other words, each claimed object is representative of an aspect of a subsidy offer and together (assembled according to the structure defined in Claim 86) the objects may be used to form a subsidy offer. Thus, the data structure recited in Claim 86 is in fact a data structure, not mere "descriptive material" as the Examiner incorrectly asserts, and Applicants respectfully remind the Examiner that a Section 101 rejection of a data structure is improper. There being no other rejections of Claim 86, Applicants respectfully request that the Examiner withdraw his Section 101 rejection and allow this claim.

Section 102 and 103 Rejections

Applicants note that the Myhre "affidavit" (Item W on form PTO-892 in Paper No. 10, hereinafter "Item W") is not notarized, and thus, on its face, fails to qualify as an affidavit in accordance with the applicable Rules of Practice in Patent Cases. Because all of the Examiner's Section 102 and 103 rejections rely on Item W, an invalid affidavit, Applicants assert that the Examiner has not met his *prima facie* burden in rejecting Claims 1 to 89 under Section 102 or 103. Thus, Applicants respectfully request withdrawal of the Section 102 and 103 rejections. If the Examiner must rely on the information suggested by Item W because it is his best reference (MPEP Section 904.03), Applicants respectfully request that, if possible, the Examiner either submit a proper affidavit per 37 C.F.R. § 1.66 (*i.e.* re-dated, resigned and notarized), or submit a proper declaration per 37 C.F.R. § 1.68 (*i.e.* notarization not required).

Claims 1 to 5, 9, 11 to 14, 17, 19 to 22, 25 to 27, 31 to 35, 38 to 49, 52, 54, 55 to 57, 59 to 66, 68 to 70, 72 to 74, 79, 82, 84, 85, and 87 to 89 (all of the independent claims) stand rejected under 35 U.S.C. Section 102(b) as anticipated by Item W. Claims 15, 16, 18, 28, 29, 30, 36, and 37 stand rejected as unpatentable over Item W in view of Official Notice. Claims 24, 50, 51, 53, 58, 67, 71, 75, 77, 78, 80, 81, and 83 stand rejected as unpatentable over Item W in view of US Patent No. 6,259,908 filed November 25, 1996 and issued July 10, 2001 to Austin (hereinafter "Austin"). Claims 6 to 8, 10, and 23 stand rejected as unpatentable over Item W and Austin in view of US Patent No. 5,721,827 filed October 2, 1996 and issued February 24, 1998 to Logan et al. (hereinafter "Logan"). Applicants respectfully traverse all of the Examiner's Section 102 and 103 rejections for the additional reasons set forth below.

Even if Item W was a valid reference, which it is not, all of the features of any one of Applicants independent claims are not disclosed in Item W. For example, Item W does not describe a customer device at all. The cell phone that the Examiner refers to appears to be “an item” that a customer has an interest in purchasing, however, there is no mention whatsoever of anything that could be construed as a customer device. Independent Claims **57, 70, 72, 73, 74, 82, 84, and 85 to 87** clearly recite a customer device, receiving a redemption code from a customer device, and/or software operable to execute on a customer device. Each of the remaining independent claims (Claims **1, 52, 54, and 89**) further recite a processor, a medium, and/or transmitting information to a customer device. Item W contains no mention of any processor or medium, much less, transmitting to a customer device. The communication with Sprint™ that is described in Item W does not involve a processor or a medium, nor is it to a customer device. Further note that the Radio Shack™ employee (Examiner Myhre) in Item W is not a customer. For these reasons, the Examiner has not met his burden of demonstrating that all of the features of any one of Applicants claims are disclosed in the relied upon reference, and thus, Applicants respectfully request withdrawal of the Section 102 rejections.

Regarding dependent Claim **26**, the Examiner has not addressed and the reference does not teach Applicants’ claimed feature of a “customer device outputs [a] . . . subsidy offer to the customer when the customer indicates an interest in purchasing an item according to [a] . . . subsidy offer rule.”

Regarding dependent Claim **33**, the Examiner has not addressed and the reference does not teach Applicants’ claimed feature that “the indication that the customer is interested in purchasing the item comprises an indication that the customer is accessing information about the item.”

Regarding dependent Claim **34**, the Examiner has not addressed and the reference does not teach Applicants’ claimed feature wherein “determining comprises determining a plurality of subsidy offers and said transmitting comprises transmitting information associated with each of the plurality of subsidy offers to the customer device.”

Regarding dependent Claim **41**, the Examiner has not addressed and the reference does not teach Applicants’ claimed features recited in the two claims from which Claim **41** depends (Claims **38 and 40**) and “arranging for the customer to receive the benefit in response to . . . subsidy offer status information” as recited in Claim **41** itself.

Regarding dependent Claim **44**, the Examiner has not addressed and the reference does not teach Applicants’ claimed feature of “transmitting to the customer device a subsidy offer redemption code associated with the subsidy offer.”

Regarding dependent Claim **45**, the Examiner has not addressed and the reference does not teach Applicants’ claimed feature of a “benefit is associated with performance of a task by the customer and the customer device outputs the subsidy offer redemption code after the customer performs the task.”

Regarding dependent Claim **46**, the Examiner has not addressed and the reference does not teach Applicants’ claimed feature of “receiving a subsidy offer redemption code.”

Regarding dependent Claim **48**, the Examiner has not addressed and the reference does not teach Applicants’ claimed feature of “arranging for the customer to receive the benefit in response to . . . receiving the subsidy offer redemption code.”

Regarding dependent Claim **59**, the Examiner has not addressed and the reference does not teach Applicants’ claimed feature of “storing . . . information associated with the subsidy

offer at the customer device.” Note that the customer device is distinct from an item that the customer has indicated an interest in purchasing as the Examiner seems to incorrectly assert.

Regarding dependent Claim 60, the Examiner has not addressed and the reference does not teach Applicants’ claimed feature of “information associated with a plurality of subsidy offers is stored at the customer device.”

Regarding dependent Claim 61, the Examiner has not addressed and the reference does not teach Applicants’ claimed feature of “evaluating . . . information associated with [a] . . . plurality of subsidy offers to determine at least one subsidy offer to be output to the customer” “when . . . [an] indication that the customer is interested in purchasing . . . [an] item is received.”

Regarding dependent Claim 65, as described above, the reference does not teach Applicants’ claimed feature of “outputting a subsidy offer redemption code based on the indication that the customer accepts the subsidy offer.”

Regarding dependent Claim 66, the Examiner has not addressed and the reference does not teach Applicants’ claimed feature of “receiving at the customer device the subsidy offer redemption code in association with the subsidy offer.”

Regarding dependent Claim 79, the Examiner has not addressed and the reference does not teach Applicants’ claimed feature “wherein the redemption code includes information associated with the benefit.”

Therefore, for the above listed additional reasons, Applicants assert that the Examiner has not provided a reference that teaches features recited in Applicants’ claims. Thus, Applicants respectfully request withdrawal of the Examiner’s Section 102 rejection.

Regardless of the above reasons that the Section 102 rejections are untenable and solely to expedite prosecution, the Applicants have amended Claims 1, 52, 54, and 89 to make explicit what was implicit: Applicants claims are distinct from the method disclosed in Item W in that the information transmitted to the customer device includes a data structure and/or executable software in a format that is operable to make a subsidy offer at a particular time or in response to customer actions.

Regarding all of the claims rejected under Section 103, Applicants assert that the Examiner has not met his burden of establishing a *prima facie* case of obviousness in that, as discussed above, Item W does not disclose that for which the Examiner relies upon it. Thus, for this reason alone, Applicants respectfully request that the Examiner withdraw the Section 103 rejection of Claims 6 to 8, 10, 15, 16, 18, 23, 24, 28 to 30, 36, 37, 50, 51, 53, 58, 67, 71, 75, 77, 78, 80, 81, and 83.

Further, regarding Claims 15, 16, 18, 28, 29, 30, 36, and 37, Applicants do not accept nor agree with the Examiner’s characterization of the features of the claims that stand rejected based upon Item W in view of factual assertions Officially Noticed by the Examiner. In each case, the officially-noted subject matter comprises the principal evidence upon which the rejection was based. In other words, the Examiner relies upon officially-noted subject matter to show that a feature of the rejected claim was in the prior art. For the record, Applicants once again dispute all of the various assertions in the Office Action regarding what is “old and well known” and/or otherwise officially-noted. Applicants likewise dispute all assertions which were not proper factual findings because they are mere unsupported conclusions.

Applicants respectfully remind the Examiner that officially-noted subject matter cannot be used as the primary basis for a rejection under 103. In other words, official notice alone of what existed in the prior art is not permitted. A reference must be provided to show the scope and content of the prior art. See, e.g., *In re Ahlert*, 424 F.2d 1088 (C.C.P.A. 1969) (“Assertions

of technical facts in areas of esoteric technology **must always be supported by citation to some reference** work recognized as standard in the pertinent art and the appellant given, in the Patent Office, the opportunity to challenge the correctness of the assertion or the notoriety or repute of the cited reference. ... Allegations concerning specific 'knowledge' of the prior art, which might be peculiar to a particular art should also be supported and the appellant similarly given the opportunity to make a challenge.") (emphasis added); *In re Eynde*, 480 F.2d 1364 (C.C.P.A. 1973) ("[W]e reject the notion that judicial or administrative notice may be taken of the state of the art. Facts constituting the state of the art in a patent case are normally subject to the possibility of rational disagreement among reasonable men, and **are not amenable to the taking of judicial or administrative notice.**") (emphasis added); *In re Pardo*, 684 F.2d 912 (C.C.P.A. 1982) ("[T]his court will always **construe [the rule permitting judicial notice] narrowly** and will regard facts found in such manner with an eye toward narrowing the scope of any conclusions to be drawn therefrom. Assertions of technical facts in areas of esoteric technology **must always be supported by citation to some reference work** recognized as standard in the pertinent art and the appellant given, in the Patent Office, the opportunity to challenge the correctness of the assertion or the notoriety or repute of the cited reference.") (emphasis added) Official Notice may be used, if at all, to clarify the meaning of a reference. See, e.g., *In re Ahlert*, 424 F.2d 1088 (C.C.P.A. 1969) ("Typically, it is found necessary to take notice of facts which may be used to supplement or **clarify the teaching of a reference** disclosure, perhaps to justify or explain a particular inference to be drawn **from the reference teaching.**") (emphasis added).

Accordingly, Applicants request a reference that describes the officially-noted subject matter in sufficient detail to provide Applicants an opportunity to determine its scope and an opportunity to distinguish the prior art from the present invention. MPEP 2144.03. Likewise, if the Examiner is relying upon his own personal knowledge of what was "old and well known," Applicants respectfully request that the Examiner provide an affidavit in support of his factual assertions. Short of such support for the Examiner's factual assertions, Applicants respectfully request withdrawal of the Section 103 rejection on this additional ground.

Regarding Claim 28 to 30, the Examiner provides absolutely no basis for his rejection other than to state these claims are rejected under Section 103 over Item W. Applicants note that the Examiner has not provided a complete Office Action in that it appears Claims 28 to 30 were not examined.

Regarding Claims 24, 50, 51, 53, 58, 67, 71, 75, 77, 78, 80, 81, and 83, as in the prior Office Action, the Examiner has once again mischaracterized the teaching of the Austin reference. Specifically, the Examiner incorrectly cites to the following quoted passage to attempt to support his assertion that the reference teaches that a customer device may comprise a portable computer, a personal digital assistant, a smart card, or a customer storage device:

To increase the customer base in light of expensive cellular telephones, cellular service carriers help to reduce the cost of purchasing cellular telephones to potential customers by subsidizing the cost of cellular telephones.

A cellular service carrier may subsidize the cost of a cellular telephone by purchasing cellular telephones directly from manufacturers at a cost of \$200 to \$300 each and then selling the telephones to a retailer for less than \$10 each. Thus, the retailer may sell the telephones at low cost to customers. To ensure that the customers are set up on the cellular network of the subsidizing cellular service carrier, the subsidizing cellular service carrier enters into a contract with the

retailer. The contract requires the retailer to set up the purchased subsidized cellular telephone on the cellular network of the subsidizing cellular service carrier. (Austin, col. 2, lns. 3 to 17)

Clearly this passage merely describes the practice of a cellular service carrier subsidizing phones for a retailer to sell them to customers in exchange for the customer's signing up for service with the carrier. There is no teaching, or even suggestion, that the phones themselves make subsidy offers to the customer when the customer indicates an interest in purchasing a phone. Much less, there is no teaching or suggestion that a customer's device makes a subsidy offer to the customer when the customer indicates an interest in purchasing an item such as a phone, as Applicants have claimed. Further, it appears the Examiner mistakenly cited this passage because there is no teaching whatsoever that a customer device may comprise a portable computer, a personal digital assistant, a smart card, or a customer storage device. Thus, the Examiner has failed to establish a prima facie case of obviousness and Applicants request withdrawal of the Section 103 rejection for this additional reason.

Regarding Claims 50, 51, 56, and 78, the Examiner once again incorrectly characterizes the teachings of the Austin reference. Further, the Examiner incorrectly characterizes Applicants' claims. For example the following claims are characterized as merely "using a central computer for performing the steps of the method":

50. The method of claim 1, wherein said determining and said transmitting a performed by a subsidy provider device and said transmitting comprises transmitting the information associated with the subsidy offer to at least one of (i) a central controller and (ii) the customer device.

51. The method of claim 1, wherein said determining and said transmitting a performed by a central controller, said determining is based on information received from a subsidy provider device, and said transmitting comprises transmitting the information associated with the subsidy offer to the customer device.

56. The method of claim 54, wherein said determining and each of said transmitting are performed by a central controller, and further comprising:

transmitting a redemption code to be stored on the customer device, wherein the customer device outputs the redemption code in response to an indication that the customer has performed the task; and

receiving subsidy offer status information stored on the customer device.

78. The method of claim 74, wherein said evaluation comprises:

transmitting information associated with the redemption code to a third party; and
receiving an evaluation of the subsidy offer redemption code from the third party.

It is not at all clear to Applicants how the Examiner can possibly justify ignoring all of the features of the above four claims and mischaracterize these claims as only reciting "using a central computer for performing the steps of the method." Applicants formally object to the Examiner's improper manner of rejecting Applicants' claims. Applicants further assert that a final rejection in reply to this response would be improper given that claimed features have been ignored and Applicants' invention has been improperly characterized by the Examiner.

Regarding Claims 6 to 8, 10, and 23, in each instance, the Examiner relies upon Logan as teaching targeting a subsidy offer based upon various factors recited in Applicants' claims. However, the Examiner has not identified and Applicants cannot find anywhere within Logan a

teaching or suggesting of targeting subsidy offers. Logan does appear to describe targeting audio program suggestions based upon demographic information, however, this is distinct from subsidy offers to customers. Since the only subsidy disclosed in the relied upon references is a cellular service carrier to a phone retailer (independent of any particular customer), it is clear that the relied upon references do not in fact teach targeting a subsidy offer, much less, targeting a subsidy offer based upon particular factors of the customer. Thus, Applicants respectfully request withdrawal of the Examiner's section 103 rejections for this additional reason.

Further, in rejecting Claims 6 to 8, 10, and 23, the Examiner relies upon factual assertions that are not properly in the record. Applicants assume the Examiner intended to take Official Notice of these factual assertions. As above, Applicants formally dispute these assertions and request a reference that describes the officially-noted subject matter in sufficient detail to provide Applicants an opportunity to determine its scope and an opportunity to distinguish the prior art from the present invention. MPEP 2144.03. If the Examiner is relying upon his own personal knowledge of what was "old and well known," Applicants respectfully request that the Examiner provide an affidavit in support of his factual assertions. Short of such support for the Examiner's factual assertions, Applicants respectfully request withdrawal of the Section 103 rejection on this additional ground.

Conclusion

For the foregoing reasons it is submitted that all of the claims are in condition for allowance and the Examiner's early re-examination and reconsideration are respectfully requested.

Alternatively, if there remains any question regarding the present application or any of the cited references, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is cordially requested to contact Applicants' representative, Steven Santisi, at telephone number 203-461-7054 or via electronic mail at santisi@walkerdigital.com.

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Date

Respectfully submitted,



Steven Santisi
Registration No. 40,157
Attorney for Applicants,
Walker Digital, LLC
santisi@walkerdigital.com
Five High Ridge Park
Stamford, CT 06905-1326
203-461-7054/ voice
203-461-7300/ fax